

**CLUB SEVILLA CONDOMINIUM ASSOCIATION, INC.  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
HELD AS A CONFERENCE CALL  
JUNE 26, 2013 7:00 P.M., E.S.T.**

**I. CALL TO ORDER:**

**Present for the Board of Directors:**

Rick Heyde - President

Patrick Kregiel - Vice President

Don Shuster - Vice President

Cynthia Hicks - Vice President

Josephine Krantz - Vice President/Secretary/Treasurer

**Present for Osceola Resort Management Company:**

Robert A. Slaman - President

Michael Osborn - Vice President

Maria Monteiro - General Manager

The meeting was called to order at approximately 7:14 P.M., E.S.T. by Mr. Heyde.

**II. MINUTES:**

Mr. Shuster made a motion to approve the minutes to the May 1, 2013 Board of Directors Meeting. Ms. Krantz seconded the motion. The motion was approved unanimously.

**III. RESORT STATUS:**

Ms. Monteiro reported the following:

Current occupancy is approximately 80%.

Owners Coffee Chats are going well.

**IV. OLD BUSINESS:**

**Association owner unit-weeks:**

Mr. Slaman reported that as of June 26, 2013, there are nine (9) unit-week in inventory.

**Bulk Sales of Association Unit-weeks:**

The Board asked for an update as to how many unit-weeks have been sold of the Bulk sale unit-weeks.

**Markets being utilized to sell/rent unit-weeks:**

The Board asked for management to give a summary of the activity created by the different marketing outlets used by the Association.

**Board Member unit Inspections:**

Ms. Krantz will be conducting the second quarter inspection.

**Constant Contact:**

An email blast was sent out to tell the owners that the bulk sale closed.

**Building Ceilings:**

This project is on hold until the renovations are completed in building seven (7).

**Front Entrance Landscaping:**

Management will have a hedge installed on the eastern boundary to block the view of Continental Hotel=s maintenance shed.

**Entrance Doors:**

Management will replace the doors in two weeks.

**Roof Cleaning:**

The Board directed management to clean the roofs and get a bid to seal the roofs.

**Wireless Internet:**

Mr. Heyde asked management to set up a meeting with Applied System for the week of July 8, 2013 during his visit to the resort.

**Lock-off Amenities:**

The Board agreed to drop the idea of including a coffee pot, microwave and refrigerator in each lock-off unit.

## **V. NEW BUSINESS:**

### **Pool Furniture:**

Management will obtain bids to re-strap the pool furniture. This will be added to the open items report.

## **VI. FINANCIAL REPORT:**

Mr. Osborn reviewed the audit report for the year ending December 31, 2012. Mr. Osborn pointed out to the Board that it would take a \$150.00 special assessment to fund the operating deficit.

The Board discussed the options that are available to them that would resolve the current financial situation without a special assessment.

The Board discussed how the bad economy has created a financial strain on the Association by increased owner delinquencies and additional bad debt. Over the last year, the Board has instituted policies to resolve these financial issues and has closely monitored the Association's progress with the help of the monthly financial reports and the new Key Indicators Report which integrates the monthly financial results compared to the budget and projects future bad debt.

Other policies that were adopted by the Board to generate the revenue needed to overcome operating deficits and reduce bad debt include, but are not limited to, launching a new sales policy that culminated in the sale of 415 unit-weeks project wide and requiring the purchaser of bulk unit-weeks to be responsible for 2013 maintenance fees starting with the weeks falling between August 1, 2013 and December 31, 2013.

Mr. Slaman reviewed the May, 2013 financial statements and Key Indicators Report with the Board of Directors.

When reviewing the May, 2013 financial statement package, Mr. Slaman stated that some progress has been made towards eliminating the deficit evidenced by the year-to-date positive operating income of \$171,865.77 compared to the budget of \$109,882.14 resulting in a positive variance of \$61,986.63 (page 25). Mr. Slaman referred to page 43 of the May, 2013 package, the Key Indicators Report, and pointed out the fact that the 2013 YTD Realtime (loss)gain also has a positive variance of \$115,053.86. These are positive trends which indicate that the policies adopted by the Board are improving the financial condition of the Association.

The Board is working very hard to resolve past and future deficits. The Board suggested that management propose the funding of all deficits in the preparation of the 2014 budget.

## **VII. RCI COMMENTS:**

The Board Members reviewed the comment cards.

**VIII. NEXT MEETING:**

The next Board of Directors Meeting will be held on July 24, 2013 at 7:00 P.M., E.S.T. At the next meeting, the Board will review the financial statements for June, 2013 and the proposed 2014 budget.

**IX. ADJOURN THE MEETING:**

Ms. Hicks made a motion that the meeting be adjourned. The motion was seconded by Mr. Shuster. The motion was approved unanimously. The meeting was adjourned at approximately 8:30 P.M., E.S.T.

**ACTIONS TAKEN BY THE BOARD OF DIRECTORS:**

**Board of Directors Meeting Minutes:**

The Board approved the minutes to the May 1, 2013 Board of Directors Meetings.

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Josephine Krantz, Vice President/Secretary/Treasurer

Date